UNITED STATES OF AMERICA BEFORE THE NATIONAL LABOR RELATIONS BOARD REGION TWENTY-FIVE

Miami, FL

POINT BLANK BODY ARMOR, INC., and NDL PRODUCTS, INC., A Single Employer Employer

and

Case 25-RC-10133 (formerly Case 12-RC-8814)

UNION OF NEEDLETRADES, INDUSTRIAL AND TEXTILE EMPLOYEES (UNITE!), AFL-CIO, CLC¹ Petitioner

DECISION AND DIRECTION OF ELECTION

Upon a petition filed under Section 9(c) of the National Labor Relations Act, as amended, a hearing was held on July 26, 31, and August 1, 2002, before a hearing officer of the National Labor Relations Board, hereinafter referred to as the Board, to determine an appropriate unit for collective bargaining.²

The name of the Petitioner appears as amended at hearing.

Upon the entire record in this proceeding, the undersigned finds:

a. The hearing officer's rulings made at the hearing are free from prejudicial error and, as discussed in more detail herein, are hereby affirmed.

b. The Employer is engaged in commerce within the meaning of the Act and, as discussed in more detail herein, it will effectuate the purposes of the Act to assert jurisdiction herein.

c. The labor organization involved claims to represent certain employees of the Employer.

d. A question affecting commerce exists concerning the representation of certain employees of the Employer within the meaning of Section 9(c)(1) and Section 2(6) and (7) of the Act.

I. THE ISSUES

Union of Needletrades, Industrial and Textile Employees (UNITE!), AFL-CIO, CLC, hereinafter referred to as the Petitioner or UNITE, seeks an election within a unit comprised of production, maintenance, shipping, receiving and warehouse employees employed by Point Blank Body Armor, Inc., and NDL Products, Inc., hereinafter referred to as Point Blank and NDL, respectively, and the Employer collectively.³ Petitioner seeks to represent a unit of both the employees of Point Blank and NDL who work at a facility located in Oakland Park, Florida, and NDL employees who work at its warehouse located within a block of the Point Blank facility. The Petitioner alleges that Point Blank and NDL are a single employer for the purposes of collective bargaining.

Point Blank contends the Board should decline to exercise jurisdiction over Point Blank for two reasons: (1) Point Blank's contracts with various governmental entities dictate the terms and conditions of employment to such a degree that there could not be meaningful collective bargaining; and (2) Board certification of a collective bargaining representative of Point Blank's employees and the potential for subsequent labor strife could interfere with the "national interest." Point Blank also asserts that Petitioner is not a labor organization within the meaning of Section 2(5) of the Act. Point Blank further argues that it is not a single employer with NDL. Finally, Point Blank argues that the appropriate unit should include twelve job classifications that are not sought by the Petitioner.

The Petitioner contends to the contrary: that there exists no reason for the Board to decline to assert jurisdiction over the Employer; that the Petitioner is a labor organization within the meaning of Section 2(5) of the Act; that Point Blank and NDL constitute a single integrated enterprise; and lastly, that the twelve classifications the Employer seeks to add to the petitioned unit lack a community of interest with unit members.

II. DECISION

For the reasons discussed in detail below, it is concluded that the Board has jurisdiction over the Employer and can and should appropriately exercise that jurisdiction. It is also determined that Petitioner constitutes a labor organization within the meaning of Section 2(5) of the Act. It is concluded that Point Blank and NDL constitute a single employer for purposes of collective bargaining. It is concluded that the Point Blank job classifications of Facility Team Leader, Inventory Control Clerk and Production Office clerk share a sufficient community of interest with members of the petitioned unit to require their placement the unit. In addition, it is concluded that NDL employees who occupy the classifications of sewer, cutter, mechanic, shipping clerk, receiving clerk, and helper also share a sufficient community of interest with members of the unit found appropriate herein, to warrant their inclusion in the unit.

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The Petitioner originally sought the above unit of employees employed only by Point Blank. However, at hearing the Petitioner amended its petition to allege that Point Blank and NDL are a single employer.

The following employees of the Employer constitute a unit appropriate for the purpose of collective bargaining within the meaning of Section 9(b) of the Act:

All full-time and regular part-time hourly-paid production, maintenance, shipping, receiving, and warehouse employees⁴ of Point Blank Body Armor, Inc., and NDL Products, Inc., a single employer, employed at their 4031 Northeast 12th Terrace, Oakland Park, Florida, and 1201 Northeast 38th Street, Oakland Park, Florida, facilities, BUT EXCLUDING all office clerical employees,⁵ salaried employees, contractors, managers, guards and supervisors as defined in the Act.

Fred Prager - Job Classification Unknown John Costillo - " " "

Hector Cruz - " " " " Preston King - " " " "

Roberto Palmalazzo - Quality Assurance Manager
Juan Carolos Vasquez- Ballistics Sewing Supervisor
Guy Louis Remy - Job Classification Unknown

Bianca Frias - " " " Zalina Ali - " " "

Ricky Brown - Interceptor Shipping Area Supervisor

The parties stipulated at the hearing the following job classifications are included in this unit: Assembler Packer, Ballistics Technician, CG Marker Supervisor, Cutter, Helper, Maintenance Worker, Mechanic, QA Inspector, Quality Assurance, Receiving Clerk, Sewer/Sewing Machine Operator, Shipping Clerk, Shipping QA Inspector, Sorter, Spreader, and Utility Worker. As discussed in more detail herein, the following disputed Point Blank job classifications are also included in this unit: Facility Team Leader, Inventory Control Clerk, and Production Office. In addition, the unit includes the following NDL classifications: sewer, cutter, mechanic, shipping clerk, receiving clerk, and helper.

For the reasons explained in detail later, and with the exception of the Production Office Data Entry Clerk and the Quality Assurance File Clerk who may vote subject to challenge, the following disputed job classifications are excluded from this unit: Accounts Payable, Accounts Receivable, Customer Service Representative, GSA Coordinator Assistant, International Sales Representative, Data Entry Clerk, File Clerk, Receptionist, and Trade Show Coordinator.

The parties stipulated at the hearing that the job classification of Director of New Business Development is a managerial position and is appropriately excluded from the unit.

The parties stipulated at the hearing that the following persons employed by Point Blank who occupy the job classifications set forth opposite each name (where known) are supervisors within the meaning of Section 2(11) of the Act, and therefore are excluded from the above unit because they have the authority to discipline and assign work to employees, and in some cases hire and fire employees:

The unit found appropriate herein consists of approximately 422 employees for whom no history of collective bargaining exists.

III. STATEMENT OF FACTS

A. Point Blank and NDL's Business Operations

Point Blank is engaged in the production and sale of body armor (also known as bullet-proof vests) and related accessories. Point Blank's customers are primarily governmental entities (including the U.S. Department of Defense and the Office of Homeland Security), state and local police departments and correctional companies. NDL both manufactures and imports orthopedic products such as knee and ankle braces which it sells to retail outlets such as Wal-Mart and Target. Point Blank is party to a contract to manufacture coveralls for the military which includes a "mentoring" arrangement with NDL. As part of this mentoring program, which is designed to introduce NDL to the government contract process, Point Blank manufactures coveralls using a combination of Point Blank and NDL employees. Point Blank and NDL are two subsidiaries wholly owned by DHB Industries, hereinafter referred to as DHB.

Point Blank and NDL share a common production building.¹⁰ NDL also uses a warehouse facility located a block or less from the production facility. Although most of the raw

Julia Coleman - Interceptor Shipping Area Team Leader

Bobby Blonder - Shipping Manager

Etalvina Martins - Sewing Area Supervisor
Julio Ortiz - Sewing Area Supervisor
Mercedes Calera - Job Classification Unknown

Amalia Santiago - " " " " Gladys Cruz - " " " " " Jose Cui - " " " "

Diony Duque - Commercial Production Supervisor

Harry Egerton - Facility Manager

Jessy Dominquez - Human Resources Manager Lorena Clark - Chief Financial Officer

Ed Leviene - Vice President, Director of Sales and Customer Service

Neal Nadler - Returns Authorization Manager

Rosa Valdez - Administrative Assistant Juan Valle - Plant or Production Manager

These accessories include outer shells worn over the bullet-proof vests as well as plates which apparently are inserted into the vests for extra protection.

Sister companies also owned by DHB include Second Chance, Armor Holding and Protective Apparel Corporation of America.

materials stored in this warehouse are used in the production of products sold by NDL, Point Blank also stores materials in the warehouse when they cannot be accommodated in the storage areas in the production facility. The production portion of Point Blank's facility is comprised of several work areas, including a receiving dock where fabrics and other materials are received and unpacked; storage areas for raw materials; a "marking" area where digital patterns are produced; a large sewing area where pattern pieces are sewn into finished garments; a quality assurance inspection area; a ballistics testing area where vests are tested; and a shipping area where finished garments are packaged and shipped. A production office is located in a mezzanine area above the production floor.

Located in the NDL warehouse are areas for the receipt and storage of raw materials; an area where fabric is cut; and a shipping area where products are packed and shipped to customers.

An administrative office is adjacent to but separated from the production areas of the Point Blank facility. Housed in this area are all administrative offices of NDL and Point Blank. Point Blank's highest ranking executive is its Chief Operations Manager, while NDL's operations are overseen by its President. Both of these individuals report to the Chief Operations Officer of DHB, and all three executives have offices in the administrative office area. Also located in this area are Point Blank's Human Resource Department and the offices of its Chief Financial Officer and its Director of Manufacturing, Engineering, and Quality Control (who is responsible for all production functions). Employees who occupy disputed job classifications also work in the office area. These include both companies' Accounts Receivable and Accounts Payable clerks, Point Blank's Trade Show Coordinator, Customer Service Representatives, the GSA Coordinator Assistant, the International Sales Representative and File and Data Entry Clerks. The office of NDL's receptionist is located adjacent to the administrative offices, while Point Blank's receptionist is located in an office adjacent to the front of the production area of the building which faces the street.

Most of the products manufactured by Point Blank are custom-made. Incoming orders are placed with employees who bear different job titles but who perform the same functions: Customer Service Representatives, a GSA Coordinator Assistant, and an International Sales Representative. These employees assist customers in their product selection and work with a small group of sewers who fabricate prototypes of the products desired. After customer approval of a prototype, Point Blank's purchasing office orders the necessary fabrics and supplies.

The production process is quite simple. When materials arrive at the facility they are received by a Receiving Clerk, an Inventory Control Clerk, or a Shipping Clerk The materials are then stored on shelves that surround a large, primarily open production area. Materials are retrieved by the clerks during the course of the production process and delivered to the appropriate production area upon request. Patterns are prepared by a digitalized system, and material is laid out onto cutting tables by employees Spreaders. Employees classified as Cutters cut the fabric according to patterns. The material is then bundled and either delivered to the

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The record does not disclose the square footage of this facility. Both Point Blank and NDL pay rent to the Building's owner for the space each company occupies.

Quality Assurance area for inspection, or delivered to the sewing area where sewers assemble the pattern pieces into garments. Completed garments are transported to a shipping area where they undergo final inspection before being packed and shipped. Quality Assurance employees inspect product throughout the production process.

A significant portion of the products NDL distributes are imported and pre-fabricated. Imported products are unpacked and repackaged for shipment by its one receiving clerk and five shipping clerks. Fabric received for NDL's manufacture of its own products are cut in the warehouse and transported to the production facility where sewers assemble them into finalized products.

At the time of the hearing herein, Point Blank employed a total of approximately 327 employees in the stipulated/disputed job classifications. NDL employed approximately 92 employees in comparable classifications. Point Blank's Human Resource Department performs personnel services for both companies. Employees of both NDL and Point Blank are paid with Point Blank checks. All payroll funds come from Point Blank's payroll bank account. According to Point Blank's Chief Operations Manager, each company maintains an employee register which identifies those individuals regarded as employees of that company. Pay ranges for employees of each company who occupy comparable job classifications appear comparable. These ranges will be discussed in further detail later. An employee handbook entitled "DHB Employee Handbook" establishes the personnel policies and fringe benefits which apply to employees of both companies. All employees of NDL and Point Blank receive the same fringe benefits, including vacation and holiday pay, health insurance, and jury duty, military and maternity leave, among others. The same personnel policies also govern both groups of employees. Employees of the two companies work the same hours. Those who work in the warehouse and production areas of the plant work staggered shifts from either 7:30 AM to 4:00 PM or 8:00 AM to 4:30 PM. Office employees work either 8:00 AM to 4:30 PM or 8:30 AM to 5:00 PM. Point Blank's receptionist works from 7:30 AM to 6:00 PM. 11

Two-thirds of NDL's work force are sewers who work with Point Blank sewers in a sewing room in the Point Blank production plant. NDL sewers fabricate NDL products in the northwest quadrant of the room, while Point Blank sewers fabricate Point Blank garments in the southwest quadrant. Across an aisle from these two groups are NDL and Point Blank employees who sew coveralls. The NDL and Point Blank employees who sew coveralls literally work side by side. NDL employees are periodically assigned to sew Point Blank products for Point Blank supervisors. According to one NDL seamstress, when NDL work becomes slack, NDL employees are assigned to sew for Point Blank. NDL employees also work "overtime" sewing Point Blank garments. Overtime work at the production facility is available to all NDL employees, including those who work at its warehouse, every Saturday. Overtime work is also available during the workweek. According to one NDL employee, she averages working three out of every four Saturdays each month. Another employee testified that NDL employees work overtime for Point Blank on a daily basis. When sewing NDL products the sewers are supervised by an NDL supervisor; when sewing coveralls or other Point Blank products, they are

The record does not reflect the work hours of NDL's receptionist.

supervised by Point Blank supervisors. NDL employees who work "overtime" are paid 1 ½ times their regular hourly rate of pay even if they have not worked 40 hours for Point Blank during the preceding week.

III. ANALYSIS

A. The Jurisdictional Issues

The parties stipulated at the hearing that during the past twelve months Point Blank purchased and received at its Oakland Park facility goods valued in excess of \$50,000 directly from points outside the State of Florida. However, Point Blank asserts that the Board should decline to assert jurisdiction over it for the reasons enunciated by the Board in Res-Care, Inc., 280 NLRB 670 (1986). In Res-Care the Board declined to assert jurisdiction over a company which operated a job corps center under contract with the United States Department of Labor. The Board reasoned that DOL exercised such extensive control over the wages, benefits and other terms of the employees' employment, that such control effectively precluded the parties from meaningful collective-bargaining. In Management Training Corp., 317 NLRB 1355 (1995), however, the Board reversed Res-Care recognizing that:

...whether there are sufficient employment matters over which unions and employers can bargain is a question better left to the parties at the bargaining table, and ultimately, to the employee voters in each case, *Id* at 1355.

In <u>Management Training</u> the Board adopted the holding that henceforth, the Board will only consider whether an employer meets the definition of "employer" under Section 2(2) of the Act, and whether the employer meets the Board's statutory jurisdictional standards, *Id* at 1358. If an employer meets such standards, jurisdiction will be asserted. Accordingly, since Point Blank meets the Board's statutory and discretionary jurisdictional standards, it is appropriate to exercise jurisdiction over Point Blank (and NDL as a single employer), regardless of its government contracts.¹²

Point Blank also argues that the Board should decline to assert jurisdiction over it for national security reasons. The Employer argues that Point Blank is currently the sole source for bullet and fragment-proof vests for military personnel. Employees of Point Blank should be excluded from coverage of the Act, it argues, because to permit unionization might at some

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Even if <u>Res-Care</u> were the prevailing law, record evidence indicates that the level of oversight exercised by the Department of Defense over Point Blank does not approach the level which existed in <u>Res-Care</u>. Point Blank's government contracts contain very few restrictions on the terms and conditions of its employees' employment. Rather, the contracts at most may establish ranges in which wages or benefits must fall, but such ranges alone do not rise to the level of restrictions contemplated by the Board in <u>Res-Care</u>. Unlike <u>Res-Care</u>, Point Blank also authored its own employee handbook containing personnel policies. The only policy required by the Department of Defense was an equal employment opportunity policy.

future date result in a labor dispute -- and perhaps a strike. It further argues that the threat of a work stoppage cannot be enjoined under Section 176 of the Act, 29 U.S.C. Sec. 176 *et seq*. Therefore, the argument goes, to permit unionization could endanger the lives of members of the armed forces whose receipt of body armor may be delayed due to a strike. ¹³

The Employer's arguments are erroneous for several reasons. First, the Board has long recognized that employers who provide products and services related to our nation's defense are particularly in need of the protection of the National Labor Relations Act. The provisions of the statute enhance labor stability, making it less likely that a labor dispute will disrupt military operations. The Board's decision in <u>Taichert's Inc.</u>, 107 NLRB 779 (1954) which was issued in 1954 in the midst of a heightened concern for the "Communist Threat," seems particularly apropos to present day circumstances. In <u>Taichert's</u> the Board recognized the value of asserting jurisdiction over defense-related industries because the Act provides mechanisms for enhancing industrial stability and deterring labor strife. It stated:

We recognize of course that Federal intervention in labor disputes which have a real impact on national defense is especially warranted, <u>particularly in these times</u>, (emphasis added) *Id* at 781.

In <u>Maytag Aircraft Corp.</u>, 110 NLRB 594 (1954), the Board stated that it is precisely because of the potential effect upon the national interest that the Board should exercise jurisdiction over defense-related contractors:

Where, as here, the national defense is concerned, we have stated previously that "we recognize of course that Federal intervention in labor disputes which have a real impact on national defense is especially warranted, particularly in these times . . . We agree . . . that this Board should step into labor disputes which are substantial in character, and particularly where our national welfare is involved," *Id* at 594.

Since 1954 the Board has continuously asserted jurisdiction over defense contractors, <u>Baywatch Security and Investigations</u>, 337 NLRB No. 70 (May 7, 2002).

The Employer also argues that a work stoppage among its employees could not be enjoined under the national emergency provisions of the Labor Management Relations Act, 29 U.S.C. Sec. 176 *et seq.*, if the strike were deemed a threat to national security. The Employer offers no case law in support of this proposition. Section 178 provides in pertinent part that:

current use. A patent for it is pending.

According to the Employer approximately 300,000 of the approximately 1.7 million ground troops have been provided with its new "Interceptor" vests. The remaining troops are using protective vests from another manufacturer which have been produced since the 1970's. The Interceptor allegedly provides better protection against weapons and mines that are in

...the President may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lockout or the continuing thereof, and if the court finds that such threatened or actual strike or lockout –

- (i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce; and
- (ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lockout, or the continuing thereof, and to made such other orders as may be appropriate.

The undersigned believes that if in fact the "Interceptor" vest is a unique form of military body armor, a more compelling argument can be made that it constitutes an "industry" of its own. Therefore, a strike among Point Blank employees would be tantamount to one which affects an entire industry, and consequently enjoinable under Section 178, *See Generally*, <u>United Steelworkers of America v. U.S.</u>, 361 U.S. 39, 80 S. Ct. 1 (1959). Therefore, the Employer's argument that the Board should decline to assert jurisdiction because a strike could threaten "national safety" is rejected.

Lastly, in its post-hearing brief the Employer argues that the duty to bargain collectively in good faith could pose a threat to the Employer's need to maintain the confidentiality of its propriety information. When, either in conjunction with collective bargaining negotiations or contract administration, a labor organization requests information which is arguably a trade secret, but which is necessary for the union in order to effectively carry out its duty to represent its members, the Board has devised safeguards for the protection of such information. Specifically, the parties can bargain over an appropriate accommodation which will safeguard the information provided the union, *See* <u>GTE Southwest</u>, 329 NLRB No. 57 (September 30, 1999).

B. UNITE's Status as a Labor Organization

Point Blank asserts that the Petitioner is not a labor organization within the meaning of Section 2(5) of the Act either because UNITE is "fronting" for a defunct labor organization or because UNITE otherwise fails to meet the prerequisites of Section 2(5). While there is not substantial evidence of record concerning Petitioner's labor organization status, the record is sufficient to conclude that UNITE is a labor organization within the meaning of the Act.¹⁴

Point Blank takes exception to the ruling of the Hearing Officer at the hearing to quash Point Blank's subpoena for certain of UNITE's documents, including Petitioner's bylaws and other contracts to which UNITE is a party. While arguably the subpoenaed documents may have been relevant to a determination of UNITE's labor organization status, the record as developed is sufficient to demonstrate that Petitioner is a labor organization within the meaning of Section 2(5). Therefore, the Hearing Officer's ruling does not constitute prejudicial error which would warrant remanding the case for further hearing.

As to Point Blank's first argument, there is no evidence that the International Union UNITE is "fronting" for another labor organization and that Point Blank employees have somehow been deceived as to the true labor organization that seeks to represent them. ¹⁵ It is not an uncommon practice for an International Union to organize a group of employees; petition the Board to represent those employees; participate in a Board-conducted election and if successful, engage in contract negotiations for an initial contract, before a "local" union affiliate of the International Union is established to represent the employees in further dealings with the employer. Thus, in many circumstances the International Union delegates its representational authority to its local union affiliate. And this often occurs after an initial collective bargaining agreement has been achieved. Such an organizational structure and process is not "fronting;" nor does it deceive the employees as to their true representative, which is the International and any local it may subsequently charter to serve bargaining unit members.

As to Point Blank's more general argument that the International Union UNITE is not a labor organization, Section 2(5) of the Act states:

(5) The term "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

The record establishes that UNITE meets these two criteria. Evidence shows that Petitioner regularly engages in collective bargaining with employers concerning terms and conditions of employment on behalf of employees in bargaining units which the Petitioner represents. Further, Petitioner's constitution itself states that one of UNITE's objectives is "to establish and maintain collective bargaining throughout the trades and industries within its jurisdiction; to present, adjust and settle bona fide grievances against employers " As to employee participation, the evidence establishes that after UNITE is either certified or recognized, UNITE typically forms a bargaining committee comprised of bargaining unit employees to advise and assist in collective bargaining with employers over terms and conditions of their employment. Unit members also elect delegates to various meetings, including the Petitioner's quadrennial convention at which the delegates elect the officers of UNITE. Thus, contrary to the Employer's assertion, employees are eligible to become members of UNITE, and employees select the officers of UNITE through an electoral process. The fact that UNITE does not collect dues directly, but indirectly, from its bargaining unit members does not disqualify it from being a labor organization. Butler Manufacturing Co., 167 NLRB 308 (1967). Thus, it is concluded that UNITE is a labor organization within the meaning of Section 2(5) of the Act. 16

Further evidence of UNITE's status as a labor organization is found in prior Board case law, including, for example, <u>Villa Maria Nursing and Rehabilitation Center, Inc.</u>,

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In that respect, Point Blank presented not a single person to testify that they had been "deceived" about the fact that UNITE was seeking to be the representative of the employees at issue here.

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C. The Single Employer Issue

At the hearing, the Petitioner amended its petition to name Point Blank and NDL a single employer for purposes of unit determination and collective bargaining.¹⁷ Point Blank denies single employer status exists and asserts that Point Blank is the only appropriate employer in this case. In determining whether a single employer relationship exists, the Board examines four primary factors: (1) common ownership, (2) common management, (3) functional interrelation of operations, and (4) centralized control of labor relations, Radio and Television Broadcast Technicians Local Union 1264 v. Broadcast Service of Mobile, Inc., 380 U.S. 255, 256 (1965); Mercy Hospital, 336 NLRB No. 134 (December 18, 2001). Although the Board has held that not all four factors need be present for a single employer finding, however, in this case all factors are present, *Id*.

In respect to the first factor, common ownership, there is no dispute that both Point Blank and NDL are wholly owned subsidiaries of the same parent company, DHB. Turning to the second prong, common management, although persons who occupy management positions with Point Blank and NDL are different, there is common direct employee supervision. NDL employs approximately 82 sewers, over 60 of whom fabricate coveralls under the direct supervision of a Point Blank supervisor. Thus, 67% of NDL's entire work force is supervised by Point Blank supervision. NDL warehouse employees and sewers also work under the direction of Point Blank supervisors when they work "overtime" for Point Blank. It appears that NDL employees frequently work overtime for Point Blank. As mentioned previously, overtime is available every Saturday and throughout the work week. Therefore, although common management may not exist, substantial common supervision does.

This above-described use of NDL employees to fabricate Point Blank products also demonstrates a significant integration of operations. In addition, NDL employees have been involuntarily transferred to work for Point Blank on both a permanent and temporary basis. According to an NDL seamstress, when NDL work is slack or when Point Blank is in need of additional help, NDL sewers are assigned to sew Point Blank garments under a Point Blank supervisor. As will be discussed in greater detail, *infra*, the Trade Show Coordinator who works for Point Blank coordinates trade show displays for both companies and makes the travel arrangements for employees of both. According to the Chief Operations Manager for Point

³³⁵ NLRB No. 99 (September 26, 2001); Crown Textile Co., 335 NLRB No. 12 (August 27, 2001); Mohawk Indus., 334 NLRB No. 135 (August 20, 2001); and Woodbridge Foam Fabricating, Inc., 329 NLRB No. 72 (September 30, 1999).

¹⁷ NDL did not officially enter its appearance on the record of this hearing. However, its President testified at the hearing concerning NDL's business operations, and counsel for Point Blank indicated that she also represents NDL. In addition, neither at hearing nor in its posthearing brief has NDL or Point Blank moved to permit NDL's intervention in this case, or raised a due process argument regarding NDL's addition as a party. In the absence of any objection from NDL or Point Blank, this due process argument is deemed waived.

Blank, NDL employees have voluntarily transferred from NDL to Point Blank on a permanent basis without loss of seniority or benefits. Thus, the employees are treated as if they all work for one company.

At least some machines are also used interchangeably by the two companies. 40% of the machines used for the coverall project bear an NDL label, and 60% bear the name Point Blank. This is intended to comply with the contractual requirement that NDL employees perform 40% of the coverall work. But the machine's designation does not necessarily correctly reflect the company which employs the machine's operator. Two Point Blank employees testified that they sew on machines labeled "NDL."

The fourth prong, centralized control of labor relations, also weighs in favor of a single employer finding. Point Blank and NDL utilize the services of a common Human Resource Department which operates under the Point Blank name. Employees of both Point Blank and NDL are covered by a DHB employee handbook that dictates, among other things, the fringe benefits available to and personnel policies which govern employees of both companies. The handbook was prepared by the Point Blank Human Resource Department; reviewed by DHB; and then distributed to all DHB subsidiaries, including NDL. NDL employees receive paychecks from Point Blank, and the record does not indicate whether there is a charge back to NDL for these payroll costs. All new employees are issued Point Blank identification badges, regardless whether they work for Point Blank or NDL. Thus, all personnel and labor relations matters are developed and administered by DHB/Point Blank.

In light of the presence of this centralized control of labor relations, common ownership, substantial common supervision, and the interrelation of operations, it is concluded that Point Blank and NDL constitute a single employer for purposes of collective bargaining, <u>Grass Valley Grocery Outlet</u>, 332 NLRB No. 160 (December 15, 2000).

D. The Scope of the Appropriate Bargaining Unit

The parties are in agreement that except for the inclusion of NDL employees and those job classifications which are disputed, the unit as described in the petition and amended at hearing is an appropriate production and maintenance unit. The Board has recognized that a production and maintenance unit is presumptively appropriate, <u>PECO Energy Company</u>, 322 NLRB 1074, 1081, n. 2 (1997).

The Employer asserts that the following job classifications should also be included in the unit on grounds that employees who occupy these classifications share a community of interest with members of the petitioned unit: Accounts Payable, Accounts Receivable, Customer Service Representative, Data Entry Clerk, Facility Team Leader, File Clerk, GSA Coordinator Assistant, International Sales Representative, Inventory Control Clerk, Production Office, Receptionist, and

According to Point Blank, government security clearance requirements dictate that all employees entering the building have a Point Blank identification badge.

Trade Show Coordinator. The Petitioner contends that these job classifications lack a community of interest with the proposed production, maintenance, and warehouse unit and should therefore be excluded from the proposed unit.

While each disputed classification will be addressed below, they all have certain features in common. Employees of all classifications – both those the parties have stipulated belong in the unit as well as those in dispute -- are subject to the same employee handbook which establishes the employee benefits, including holidays and insurance, as well as Employer personnel policies. According to the Chief Operations Manager of Point Blank, no updated job descriptions exist for the disputed job classifications. The companies operate a single shift with staggered start and stop times. Production employees work from either 7:30 AM to 4:00 PM or 8:00 AM to 4:30 PM. Employees who work in the administrative office work from either 8:00 AM to 4:30 PM or 8:30 AM to 5:00 PM. The Receptionist works from 7:30 AM to 6:00 PM. Both members of the petitioned unit and employees in disputed classifications are paid an hourly wage. Members of the petitioned unit earn a wage within the range of \$5.50 to \$13.00. Employees who work in comparable job classifications for NDL appear to earn comparable wages: employees who occupy the sewer classification for both companies testified that they earn \$6.00 or \$6.50. Employees in the disputed clerical classifications earn between \$7.00 and \$11.00, while the Customer Service Representatives, GSA Coordinator Assistant and International Sales Representative earn between \$9.00 and \$15.00. Highest paid of the disputed classifications are the Accounts Receivable clerk and Trade Show Coordinator who earn in excess of \$13.00

1.) Accounts Payable and Accounts Receivable

The administrative office area of the facility is separated from production areas and houses executive as well as clerical office areas. The Employer asserts that several positions which exist within its administrative office area should be included within the petitioned unit. Included among these positions are the Accounts Payable and Accounts Receivable clerks. The Board has long held that the distinction between office and plant clericals is rooted in community-of-interest factors, Minneapaolis-Moline Co,., 85 NLRB 597, 598 (1949). Clericals whose principal functions relate to general office operations and are performed within an office area, are deemed office clericals who do not have a close community of interest with a production unit. This has been found true even if the clericals spend as much as 25% of their time in production areas and have daily contact with production personnel, Container Research Corp., 188 NLRB 586, 587 (1971); Cook Composites And Polymers Co., 313 NLRB 1105 (1994).

In the present case, the Accounts Payable clerk receives incoming bills of lading from a Receiving Clerk, particularly for the receipt of "critical materials," and ensures that the bills are paid in a timely manner. The Accounts Receivable clerk verifies customers' credit card authorizations before products are shipped to them, and collects money due from customers. Employees who occupy these positions perform their work in the office area of the facility in

[&]quot;Critical materials" are fabrics used to make the Interceptor vest.

which other office staff and executives work. Unlike unit members, the Accounts Payable and Receivable clerks report to Point Blank's Chief Financial Officer. The Accounts Payable clerk earns an hourly wage within the range of \$7.00 to \$11.00 per hour, while the Accounts Receivable clerk is one of the highest paid employees whose unit placement is disputed. The Accounts Receivable clerk earns \$13.24 per hour. Since the Accounts Payable and Accounts Receivable clerks perform traditional office clerical functions in the office area of the facility, under different supervision than unit members, and absent evidence of significant contact with unit members, it is concluded that the Accounts Payable and Accounts Receivable classifications lack a community of interest with unit members and shall be excluded from the unit found appropriate herein.

2.) <u>Customer Service Representative, GSA Coordinator Assistant, and International Sales Representative</u>

Petitioner objects to the inclusion of the Customer Service Representative, GSA Coordinator Assistant, and International Sales Representative job classifications in the bargaining unit. The evidence shows that persons in these positions meet with Point Blank clients and assist them in placing orders for special products. Despite the difference in job titles, persons in these three positions perform similar, if not identical, job functions. After the Data Entry Clerk has entered specifications of each order into the Employer's computerized data base, persons in these three positions review the entries for accuracy. These employees then ensure that the specially order products are correctly manufactured to the clients' specifications. These employees work in the office area of the plant, although they periodically enter production areas to monitor that products are being manufactured according to customer specifications. The employees in these classifications report to Point Blank's Vice President/Director of Sales and Customer Service. These three classifications are also paid a wage greater than the classifications the parties agreed to include within the unit. Thus, the range of wages for the stipulated bargaining unit is \$5.50 to \$13.00, while these classifications' wages range from \$9.00 to \$15.00. Thus, some of the employees in these classifications may earn nearly three times the amount of money earned by unit members. They also work longer hours, working from 7:30 AM. to 7:30 PM., while unit members work until 4:00 or 4:30 PM.(absent overtime work). Due to the different functions and skills possessed by persons in these positions; their different supervision, work hours and pay rates; their separate work area; and their minimal contact with unit members, it is concluded that the positions of Customer Service Representative, GSA Coordinator Assistant and International Sales Representative do not share a community of interest with unit members and they shall accordingly be excluded from the unit found appropriate herein.

3.) Data Entry Clerk

The Data Entry Clerk enters pertinent information from customer orders (such as style, color, and quantity) into the manufacturing computer system. After the data is reviewed for accuracy by the Customer Service Representative who secured the order, and errors, if any, are corrected, the clerk transfers the information to the purchasing office, the production office, and to a file clerk. The Data Entry Clerk works in the office area of the plant and also reports directly to the Employer's Chief Financial Officer. The Data Entry Clerk earns an hourly wage

between \$7.00 and \$11.00. While the Data Entry Clerk is not directly involved in the production process, s/he contacts the CG Marker Supervisor and the production office when mistakes in orders are discovered so they can be corrected before the production process on the orders begins. Since the Data Entry Clerk works in the office area of the plant in daily contact with other employees found to be office clerical employees herein; shares supervision common to other office clericals; and performs functions distinct from those performed by unit members, it is concluded that the Data Entry Clerk is an office clerical employee who shall be excluded from the unit found appropriate herein.

Evidence exists that a Data Entry Clerk may also work in the production office and may share a community of interest with both the Production Office employee and other unit members. Since insufficient evidence exists from which to make reasoned findings of fact and conclusions of law regarding this position, and since the number of employees in this position comprises less than 1% of the unit found appropriate herein, any Data Entry Clerk who works in the production office shall be permitted to vote subject to challenge and his/her voting eligibility shall be determined, if necessary, in post-election proceedings.

4.) Facility Team Leader²⁰

The Petitioner objects to the inclusion of the Facility Team Leader position into the proposed bargaining unit on grounds that the person who occupies this position is not directly involved in the manufacture of goods. Although there is little evidence describing the duties, skills, and other features of this position, the record does indicate that the Facility Team Leader performs work related to the construction, maintenance and repair of the Employer's physical facility. Such work has included the construction of shelves, the installation of electrical wiring, and the repair of production line items such as cutting tables. The Facility Team Leader position is essentially a general maintenance job, and the individual who occupies this position is directly supervised by the Facilities Manager. The Facilities Manager is responsible for the maintenance and repair of the Employer's entire physical plant and he supervises the Maintenance Workers whom the parties have stipulated are properly included in the petitioned unit. The Facility Team Leader earns between \$7.00 and \$11.00 per hour, which is within the range of wages earned by unit members. Since the Facility Team Leader performs functions similar to those performed by unit members; shares common supervision, and earns a comparable wage, it is concluded that the Facility Team Leader shares a community of interest with these members, and accordingly, the position of Facility Team Leader is included in the unit found appropriate herein.

5.) File Clerk

Point Blank seeks to include the File Clerk classification into the proposed bargaining unit. The record reflects there are two and possibly three such positions. One File Clerk works with the Customer Service Representative and another in the Accounting Department. The Accounting File Clerk 's duties include the review of outgoing invoices for accuracy and the

Despite the title and the exclusion of the other "team leaders" from the petitioned unit, the parties agree that the Facility Team Leader is a not a Section 2(11) supervisor.

general filing of orders and invoices. The employees in both positions work in the administrative office area of the facility and have daily contact with other office staff. Since the File Clerks perform traditional office clerical functions utilizing skills distinct from those of members of the bargaining unit; and since they work in the administrative office area of the plant, having daily contact with other office employees, it is concluded that the File Clerks do not share a community of interest with unit members and shall be excluded from the unit found appropriate herein

There is some evidence that a third File Clerk works in the Quality Assurance Ballistics area and may be a plant clerical employee. However, the only evidence presented concerning the duties of this Clerk is that she files documents used by the Quality Assurance staff. The evidence is insufficient to make reasoned findings of fact and conclusions concerning the proper placement of the Quality Assurance Ballistics File Clerk. Since the number of employees in this classification constitutes less than 1% of the number of employees in the unit found appropriate herein, in order to effectuate the purposes of the Act through expeditiously providing for a representation election, the File Clerk(s) who works in the Quality Assurance Ballistics area shall be permitted to vote subject to challenge and his/her eligibility to vote shall be determined, if necessary, in post-election proceedings.

6.) Inventory Control Clerk

The Petitioner asserts that the Inventory Control Clerk should be excluded from the bargaining unit. However, the record demonstrates that the Inventory Control Clerk performs the same functions as the unit positions of Receiving Clerk and Shipping Clerk.²¹ All three of these positions perform functions related to receiving incoming materials and supplies; stocking those materials; and shipping finished products to customers. All three ultimately report to the Production Manager. The Inventory Control Clerk earns an hourly wage between \$7.00 and \$11.00, which is within the range of wages earned by unit members. Since the Inventory Control Clerk performs functions similar to unit members, in the same work areas; sharing common supervision; and earning a comparable wage, it is concluded that the Inventory Control Clerk shares a community of interest with unit members and shall be included within the unit found appropriate herein.

7.) Production Office

Point Blank argues that the job classification referred to as "Production Office" should be included in the bargaining unit on grounds that it is a part of the Employer's integrated production operations. The person who occupies the "Production Office" position works in the production office of the facility, which is located in a mezzanine area above the production floor. The primary duty of this position is to sort, batch and prioritize product orders received from the Data Entry Clerk. After orders are batched, the Production Office employee enters the

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The evidence indicates that there is one individual in each of these different positions, but that they all perform essentially the same job duties depending upon who is available at any particular time.

orders into the Employer's computerized data system and transmits the information to the CG Marker Supervisor who then initiates the production process for the orders. The Production Office classification reports to the Commercial Production Supervisor and earns an hourly wage between \$7.00 and \$11.00. Since the functions of the Production Office employee are integrally related to the production process; since s/he works in close proximity to production employees and earns a similar wage, it is concluded that the Production Office employee is a plant clerical employee who shares a sufficient community of interest with unit members to warrant her/his inclusion within the unit found appropriate herein, <u>Hamilton Halter Co.</u>, 270 NLRB 331 (1984); <u>Raytee Co.</u>, 228 NLRB 646 (1977).

8.) Receptionist

The Receptionist has an office of her own located near the front door of the facility. Her duties include receiving incoming phone calls and directing the calls to the appropriate person. In the case of an emergency phone call for an employee, it is the Receptionist's duty to locate the employee and notify him/her of the call. This is usually done through a plant-wide paging system. The Receptionist earns an hourly wage between \$7.00 and \$11.00. The record does not reflect to whom the Receptionist reports, nor any other of her job duties. Since the Receptionist works in an area apart from the production floor; does not perform production-related work; and appears to have minimal contact with unit members, it is concluded that the position of Receptionist does not share a community of interest with unit members, and shall be excluded from the unit found appropriate herein.

9.) Trade Show Coordinator

Point Blank also seeks to include the position of Trade Show Coordinator into the petitioned unit on grounds that her duties are part of an integrated production operation. While the record does not identify who selects the garments which will be displayed at trade shows, the Trade Show Coordinator is responsible for ensuring that garments intended for display at trade shows are manufactured according to specifications and are defect-free. The Coordinator prepares items for display at trade shows for NDL as well as Point Blank. The Coordinator does not attend trade shows. The Trade Show Coordinator also makes travel arrangements for Point Blank and NDL employees when they attend shows. The Coordinator occupies an office in the administrative office area of the facility. She uses a computer and performs her own word processing. She reports directly to the Chief Operations Manager of Point Blank, the highest ranking member of management on site. The Coordinator has little contact with unit members other than monitoring the progress of the manufacture of products designed for trade show display. The Coordinator earns an hourly wage of \$13.46, which is higher than members of the petitioned unit, and more than double that earned by some unit members. Since the Trade Show Coordinator performs functions distinct from those of unit members; works in the

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Point Blank attends approximately 100 trade shows a year. The record does not reflect the number of shows attended by NDL personnel.

Many sewers earn approximately \$6.00 per hour.

administrative office area; reports to different supervision; and earns a generally higher wage than unit members, it is concluded that the Trade Show Coordinator lacks a community of interest with unit members, and accordingly, the position of Trade Show Coordinator is excluded from the unit found appropriate herein.

E. The Single Unit and Multi-facility Unit Issues

Although two employers may constitute a single integrated enterprise, a separate determination must be made whether their respective employees share a sufficient community of interest to warrant their joinder in one unit, South Prairie Construction Company v. Local No. 627, International Union of Operating Engineers, 425 U.S. 800, 96 S. Ct. 1842 (1976); Peter Kiewit Sons' Co., 231 NLRB 76 (1977). NDL employs approximately 92 employees in the following job classifications: sewer, cutter, mechanic, shipping clerk, receiving clerk, helper, receptionist, data entry, and customer service.²⁴ Point Blank has identical job classifications. NDL sewers and some, if not all NDL office clerical employees work on a permanent basis at the Point Blank production facility. The shipping and receiving clerks who receive and store raw materials and who ship completed products to customers, work at the warehouse. A group of cutters employed by NDL also work at this warehouse. They cut fabric according to patterns, after which the fabric is delivered to NDL sewers at the production facility who complete the fabrication of the products. The record does not identify the duties of the two NDL employees classified as Helpers, but since a comparable Point Blank classification exists and warehouse workers are offered overtime at the Point Blank production facility, one may infer that the NDL Helpers possess skills and perform functions which are similar to Point Blank employees. As mentioned previously, all of the NDL sewers (who comprise 67% of its work force) work at the production facility in a sewing room shared with Point Blank sewers. Also as previously discussed, NDL employees, including those who work in its warehouse, regularly perform overtime work for Point Blank at the production facility. These hours are included in their paychecks issued by Point Blank. All NDL employees receive the same fringe benefits as Point Blank employees and are subject to the same personnel policies.

Sewers - 82
Cutter - 1
Mechanic - 1
Shipping Clerk - 5
Receiving Clerk - 1
Helper - 2
Receptionist - 1
Data Entry Clerk - 1
Customer Service - 1

At the time of the hearing, the breakdown of NDL employees was as follows:

Although the record does not reflect the wage range of NDL employees, two sewers who testified earn \$6.00 per hour, which is within the range of wages earned by Point Blank employees.

Since Point Blank and NDL employees (including those who work primarily at its warehouse) possess similar skills and perform similar functions; work the same hours; earn wages within the same pay range; receive the same fringe benefits and are subject to the same personnel policies; and since most NDL employees share the same supervision; have daily contact and experience substantial interchange; work in the same location and share the same break room and restrooms, it is concluded that the employees of NDL who are classified as Sewers, Cutters, Mechanic, Shipping Clerk, Receiving Clerk and Helper share a substantial community of interest with members of the unit found appropriate herein, to warrant their joinder in the unit.

The record does not disclose sufficient information regarding NDL's Receptionist, Data Entry Clerk and Customer Service employee from which to make reasoned findings of fact and conclusions concerning their proper unit placement. Since only one employee occupies each classification and thus, the total constitutes a small fraction of the number of unit employees, the Receptionist, Data Entry Clerk and Customer Service person who are employed by NDL shall be permitted to vote subject to challenge, and their eligibility to vote shall be determined, if necessary, in post-election proceedings.

A single facility is a presumptively appropriate unit unless it has become so effectively merged into a more comprehensive unit, or is so functionally integrated, that it has lost its separate identity, <u>Cargill, Inc.</u>, 336 NLRB No. 118 (November 30, 2001); <u>Red Lobster</u>, 300 NLRB 908 (1990). In this case the presumption is overcome by the variety of factors discussed above which show that the warehouse employees share a substantial community of interest with their co-workers at the production facility, and with Point Blank unit members. There is no evidentiary justification for segregating the approximately 10 employees who work in the warehouse from their 82 counterparts who work at the production facility.

IV. SHOWING OF INTEREST

At hearing the Hearing Officer indicated that the Petitioner had produced a sufficient showing of interest in the unit as amended at hearing. Also at hearing the Petitioner indicated its willingness to participate in an election in a unit larger than that sought by its amended petition, if a broader unit were found appropriate. While it appears that the unit found appropriate herein is consistent with the amended unit, in the event the unit found appropriate is broader than the amended unit; and in the event the Petitioner's showing of interest is not sufficient in the broader unit, the Petitioner shall have fourteen (14) days from the date of this Decision in which to submit to Region 12, a showing of interest in the unit found appropriate herein, Brown Transport Corp. 296 NLRB 1213 (1989); Casale Industries, Inc., 311 NLRB 951 (1993).

V. DIRECTION OF ELECTION

An election by secret ballot shall be conducted by Region 12 among the employees in the unit found appropriate at the time and place set forth in the notice of election to be issued subsequently, subject to the Board's Rules and Regulations. Eligible to vote are those in the unit who were employed during the payroll period ending immediately preceding the date of this Decision, including employees who did not work during that period because they were ill, on vacation, or temporarily laid off. Also eligible are employees in the unit who are engaged in an economic strike which commenced less than 12 months before the election date and who retained their status as such during the eligibility period, and their replacements. Those in the unit who are in the military services of the United States may vote if they appear in person at the polls. Ineligible to vote are former unit employees who have quit or been discharged for cause since the designated payroll period, employees engaged in a strike who have been discharged for cause since the commencement thereof and who have not been rehired or reinstated before the election date, and employees engaged in an economic strike which commenced more than 12 months before the election date and who have been permanently replaced. Those eligible shall vote whether or not they desire to be represented for collective bargaining purposes by the Union of Needletrades, Industrial and Textile Employees (UNITE!), AFL-CIO, CLC.

VI. NOTICE OF ELECTION

Please be advised that the Board has adopted a rule requiring that election notices be posted by the Employer at least three working days prior to an election. If the Employer has not received the notice of election at least five working days prior to the election date, please contact the Board Agent assigned to the case or the election clerk.

A party shall be estopped from objecting to the non-posting of notices if it is responsible for the non-posting. An Employer shall be deemed to have received copies of the election notices unless it notifies the Regional office at least five working days prior to 12:01 a.m. of the day of the election that it has not received the notices, <u>Club Demonstration Services</u>, 317 NLRB 349 (1995). Failure of the Employer to comply with these posting rules shall be grounds for setting aside the election whenever proper objections are filed.

VII. LIST OF VOTERS

To insure that all eligible voters have the opportunity to be informed of the issues in the exercise of their statutory right to vote, all parties to the election should have access to a list of voters and their addresses which may be used to communicate with them. Excelsior Underwear, Inc., 156 NLRB 1236 (1966); NLRB v. Wyman-Gordon Company, 394 U.S. 759 (1969). Accordingly, it is directed that 2 copies of an eligibility list containing the <u>full</u> names and addresses of all the eligible voters must be filed by the Employer with the Regional Director of Region 12 within 7 days from the date of this Decision. North Macon Health Care Facility, 315 NLRB 359 (1994). The Regional Director of Region 12 shall make this list available to all

parties to the election. In order to be timely filed, such list must be received in Region 12's Office located at South Trust Building, Suite 530, 201 East Kennedy Boulevard, Tampa, FL 33602, on or before **September 10, 2002**. No extension of time to file this list shall be granted except in extraordinary circumstances, nor shall the filing of a request for review operate to stay the requirement here imposed. Failure to comply with this requirement shall be grounds for setting aside the election whenever proper objections are filed.

VIII. RIGHT TO REQUEST REVIEW

Under the provisions of Section 102.67 of the Board's Rules and Regulations, a request for review of this Decision may be filed with the National Labor Relations Board, addressed to the Executive Secretary, 1099-14th Street. N.W., Washington, DC 20570. This request must be received by the Board in Washington by September 17, 2002.

ISSUED AT Indianapolis, Indiana, this 3rd day of September, 2002.

Roberto G. Chavarry Regional Director National Labor Relations Board Region 25 Room 238, Minton-Capehart Building 575 North Pennsylvania Street Indianapolis, IN 46204-1577

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